



Distillate Watch

January 27, 2000

Energy Information Administration
Office of Oil & Gas

SUPPLY

- Distillate stocks dropped 8.2 million barrels (MMB) to 110.6 MMB on January 21, 2000 as distillate demand at 4.4 million barrels per day (MMBD) registered a substantial increase of 0.6 MMBD over the week. Heating oil stock at 45.3 MMB was 5.1 MMB lower than last week with lingering cold weather continuing to affect the Northeast. Low-sulfur stock at 65.4 MMB also decreased, by 3.0 MMB. Total distillate stock is now 40.2 MMB less than last year and below the average range. Total distillate production moved slightly higher by 60 thousand barrels per day to 3.2 million barrels per day. Imports fell to 0.2 million barrels per day.
- This week U.S. crude oil input increased to 13.9 MMBD with refiners utilizing 86.7 percent of 16.1 MMBD in operating capacity.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	12/31/99	01/07/00	01/14/00	01/21/00	01/22/99	12/31/99	01/07/00	01/14/00	01/21/00	01/22/99
East Coast (PADD I)	410	379	396	351	500	238	204	191	191	146
Midwest (PADD II)	815	779	781	826	785	599	568	565	599	555
Gulf Coast (PADD III)	1,665	1,597	1,394	1,448	1,367	1,107	1,089	967	942	783
Rocky Mountain (PADD IV)	156	139	147	134	118	125	109	118	109	102
West Coast (PADD V)	446	447	420	439	422	345	344	335	336	329
U.S. Total	3,492	3,341	3,138	3,198	3,192	2,414	2,314	2,176	2,177	1,915

Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	12/31/99	01/07/00	01/14/00	01/21/00	01/21/99	12/31/99	01/07/00	01/14/00	01/21/00	01/21/99
East Coast (PADD I)	47.6	47.4	44.2	38.3	71.0	15.3	16.3	15.8	14.3	21.8
PADD IX	9.3	8.9	8.0	5.5	NA	1.5	1.4	1.5	1.1	NA
PADD IY	27.7	26.4	25.0	21.9	NA	7.7	7.8	8.0	7.1	NA
PADD IZ	10.6	12.2	11.2	10.8	NA	6.1	7.1	6.3	6.1	NA
Midwest (PADD II)	31.2	31.3	31.4	30.2	34.2	21.4	21.5	22.1	21.0	24.2
Gulf Coast (PADD III)	26.1	29.2	27.8	27.2	30.3	16.1	18.0	17.9	17.9	18.2
Rocky Mountain (PADD IV)	3.2	3.3	3.6	3.3	3.1	2.8	2.8	3.1	2.8	2.7
West Coast (PADD V)	11.6	11.5	11.9	11.7	12.2	9.3	8.9	9.5	9.3	8.9
U.S. Total	119.7	122.7	118.8	110.6	150.8	64.8	67.6	68.4	65.4	75.8

* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov.

Source: Energy Information Administration, *Weekly Petroleum Status Report* (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

PRICES

- The combination of low stocks, forecasts for colder than normal weather through early February, some barges being delayed due to storms, and unexpected refinery problems set off a price spike in the New York Harbor spot markets as buyers found it difficult to locate immediate supply. Not only were refiners in the market trying to replace lost production, but it was reported that utility buyers were adding to the pressure as they sought peaking fuel to meet the cold weather demand. The New York Harbor spot price for heating oil has almost doubled in the last two weeks to 128.80 cents per gallon on January 24, 2000.
- The average U.S. on-highway diesel fuel price jumped 11.1 cents to a record-breaking 141.8 cents per gallon on January 24, 2000, 45.4 cents per gallon higher than last year. Residential heating oil prices were up sharply for the January 17, 2000 collection period. The residential price of 119.3 cents per gallon represented a 4.8-cent increase over the January 3 price of 114.5, bolstered by particularly strong upward momentum along the East Coast spurred by a combination of colder weather coupled with declining distillate stocks.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	12/30/99	01/10/00	01/18/00	01/24/00	01/25/99	12/30/99	01/10/00	01/18/00	01/24/00	01/25/99
New York	69.92	67.32	76.04	117.00	32.47	69.82	66.03	81.35	128.80	32.15
Chicago	73.03	68.28	74.93	70.23	32.47	NA	NA	NA	NA	NA
Houston	68.64	66.20	72.36	79.95	31.23	65.67	63.08	75.10	80.25	29.85
Los Angeles (CARB)	83.00	79.50	85.50	91.50	40.50	NA	NA	NA	NA	NA

Source: Reuters Information Services.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	01/03/00	01/10/00	01/17/00	01/24/00	01/25/99	12/06/99	12/20/99	01/03/00	01/17/00	01/18/99
East Coast (PADD I)	130.3	130.2	131.2	150.5	97.4	111.9	113.2	115.7	121.0	87.7
PADD Ix	137.2	137.4	144.1	183.6	106.8	108.6	109.6	112.0	118.2	81.3
PADD Iy	137.5	138.4	138.5	169.4	106.6	115.4	116.9	119.6	124.4	92.8
PADD Iz	126.5	126.0	126.9	139.4	92.7	103.4	104.3	106.7	110.4	85.3
Midwest (PADD II)	130.1	129.4	128.6	136.9	94.4	103.1	103.4	103.9	104.6	75.4
Gulf Coast (PADD III)	127.4	127.6	127.6	138.2	93.5	NA	NA	NA	NA	NA
Rocky Mountain (PADD IV)	133.1	133.2	132.7	135.7	98.5	NA	NA	NA	NA	NA
West Coast (PADD V)	140.1	140.4	140.6	145.2	104.5	NA	NA	NA	NA	NA
California	148.1	147.8	148.0	154.1	110.4	NA	NA	NA	NA	NA
U.S. Average**	130.9	130.7	130.7	141.8	96.4	110.9	112.1	114.5	119.3	86.3

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA =Not Available.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.